Morris, Craig

From: Winkler, Michael (b)(6)
Sent: Friday, February 04, 2011 3:24 PM
To: TMFeedback
Subject: ABA-IPL Survey Responses on "Trademark Bullying"
Attachments: ABA-IPL Survey Responses on TM Bullying .pdf

Please see the attached comments and survey results from the ABA Section of Intellectual Property Law in response to the United States Patent and Trademark Office's (USPTO) request for comments regarding Trademark Litigation Tactics, specifically requesting comments from "U.S. trademark owners, practitioners, and others regarding their experiences with litigation tactics, especially those involving an attempt to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner."

Thank you.

Mike Winkler
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American Bar Association
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26th Annual Intellectual Property Law Conference
April 6-9, 2011
Arlington, VA
www.abanet.org/intelprop

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February 4, 2011

Via Email:
TMFeedback@uspto.gov

The Honorable David J. Kappos
Under Secretary of Commerce for Intellectual Property
and Director of the United States Patent and Trademark Office (USPTO)
Mail Stop Comments
P.O. Box 1450
Alexandria, VA 22313-1450

Re: Small Business Study: Response by ABA Section of Intellectual Property Law

Dear Under Secretary Kappos:

We submit this letter in response to the United States Patent and Trademark Office's (USPTO) request for comments regarding Trademark Litigation Tactics, specifically requesting comments from "U.S. trademark owners, practitioners, and others regarding their experiences with litigation tactics, especially those involving an attempt to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner." USPTO Request for Comments, available at http://www.uspto.gov/trademarks/notices/trademark_study.jsp (updated Jan. 10, 2011).

These comments have not been approved by the ABA House of Delegates or Board of Governors, and should not be considered to be views of the American Bar Association.

The Trademark Technical and Conforming Amendment Act of 2010 (Pub. L. No. 111-146) was signed into law on March 17, 2010, and included a provision mandating that a study be conducted by the Secretary of Commerce to determine:

1. "the extent to which small businesses may be harmed by litigation tactics by corporations attempting to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner;" and
2. "the best use of Federal Government services to protect trademarks and prevent counterfeiting."

Pub. L. No. 111-146 § 4(a). This study was amended by the Copyright Cleanup, Clarification, and Corrections Act of 2010, Pub. L. No. 111-295 (signed into law Dec. 9, 2010), which removed the language "by corporations attempting" and replaced it with "the purpose of which is". The amended study mandated by Congress, therefore, focuses on "the extent to which small businesses may be harmed by litigation tactics the purpose of which is to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner."

The ABA-IPL Section conducted a survey, using objective measures to obtain information from its members about their experiences with "trademark bullying" (as that phrase was used by the USPTO in its request for comment). Although there is no consensus, as would be expected considering the diversity of the Section, the results reflect that trademark abuse is not limited to small businesses but can be experienced by any party defending a trademark suit. Respondents reported that these abusive litigation practices – or, asserting rights beyond that which are legally supportable –appear in a variety of civil litigation contexts, and are not exclusive to the trademark realm.

In that light, the majority of respondents to the ABA-IPL survey do not support legislative action to address this conduct. Some argued that existing remedies – such as Rule 11 sanctions and the award of attorneys' fees or costs to the prevailing party in exceptional cases – were technically sufficient to address these abuses. However, many also argued that courts are generally reluctant to award sanctions or attorneys' fees and frequently decline to invoke these remedies. As a result, from a practical perspective according to this group of respondents, these remedies are not necessarily sufficient to deter litigants from being overly aggressive in asserting their trademark rights. Overall, however, curbing abusive trademark litigation practices should be left to the judiciary on a case-by-case basis. A "one size fits all" approach does not appear to be warranted.

One concern that some respondents to the ABA-IPL survey identified is that the alleged "victims" of trademark bullying often believe that a trademark owner is asserting rights too broadly, even though owners are required to protect their rights. Inevitably, even the most careful rights holder might not anticipate that a court will rule against it. Nevertheless, a grant of summary judgment for a defendant in such a case does not automatically suggest that the plaintiff was unreasonable in asserting rights.

For instance, some members believe that the language requesting the study and the USPTO's Request for Comment appear to overlook the basic premise of trademark law – that trademark rights in the United States are based on "use in commerce" and do not require registration of those rights with the USPTO before they are actionable. As a result, where a trademark owner rests its claims on common law use of the mark, some deem this assertion to be "trademark misuse" (based on a lack of registration or asserting a claim beyond what has been registered), yet such assertion is proper under the Lanham Act, 15 U.S.C. § 1125.

We have attached a copy of the ABA-IPL survey and the summary of results we have received from this study. Kindly note that the individual responses remain anonymous, but that the overall view of the respondents is effectively captured. Some of the particularly notable results are as follows:

1. Overall, less than 43% of respondents had first-hand knowledge of two or more instances in the past five years in which "a small business may have been the target of litigation tactics in which the purpose or effect was to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner." Slightly more than 40% of respondents had no first-hand knowledge of any such instances. (Response to ABA IPL Question 6).

2. Less than 20% of respondents have been involved in a "trademark-related lawsuit or opposition/cancellation proceeding within the past five years in which the Court (or

TTAB) rejected all of the plaintiff's trademark-related claims against your company or client on a motion for summary judgment." (Response to ABA IPL Question 8).

3. 94% of respondents reported that neither they nor their clients had been involved in cases within the last five years where a small business was a defendant and where sanctions or attorneys' fees were awarded. (Response to ABA IPL Question 9).

4. Only 33% of respondents have been involved in trademark-related litigation or opposition/cancellation proceedings in the past 5 years in which their opponent withdrew its claims before the respondents had filed an answer or other response opposing the allegations. Of those, only 2% of respondents experienced this situation more than 10 times, while 16% experienced it only once. (Response to ABA-IPL Question 10).

5. In response to a related question, 63% answered that they had not been involved in trademark litigation in which the opponent withdrew its claims after a response to the allegations was filed, but before any further motion practice or discovery. An additional 14% indicated that they experienced this situation only once in the past 5 years. (Response to ABA IPL Question 11).

6. Less than 46% responded that in such cases, their opponents "had more significant litigation resources and subjected your company or your client to constant and unreasonable motion practice." An additional 38% responded that this has only occasionally occurred. (Response to ABA IPL Question 13).

7. Only 15% of respondents "strongly agreed" that trademark "bullies" are a problem. 18% disagreed strongly. 39% agreed "somewhat" and 19% disagreed "somewhat." 9% expressed no opinion (Response to ABA IPL Question 15).

8. 30% disagreed "strongly" that aggressive litigation tactics are more pervasive in the trademark arena than in other areas of the law. An additional 27% disagreed "somewhat." Only 6% agreed strongly, while 20% agreed somewhat. 17% expressed no opinion. (Response to ABA IPL Question 16). In response to a separate question, 44% opined that "aggressive litigation tactics are no more or less pervasive in trademark law than in other areas of the law." (Response to ABA IPL Question 17).

9. As to which entity has the responsibility to act to discourage or prevent trademark bullying:
    a. 72% answered that the courts do (Response to ABA IPL Question 19)
    b. 44% answered that Congress does (Response to ABA IPL Question 21)
    c. 37% answered that USPTO does (Response to ABA IPL Question 18)
    d. 19% answered that other U.S. agencies do (Response to ABA IPL Question 20)

Our members were asked to provide additional comments anonymously, addressing two follow up questions: 1) situations where the responder or his/her clients have been involved in trademark litigation before the courts, in opposition/cancellation proceedings before the TTAB, or in connection with a cease-and-desist letter involving a small business; and 2) any other comments that would assist ABA-IPL in determining whether to pursue

legislative solutions to trademark bullying. We have provided the full text of these comments for the convenience of the USPTO in evaluating the necessity for further action. The responses indicate that there is no consensus about many of these issues, lending further support to the conclusion that determining litigation misconduct - in a trademark case or otherwise – requires a fact-intensive analysis that cannot be addressed by a single, catch-all legislative solution.

As a result of our evaluation, ABA-IPL does not recommend any particular legislative or regulatory response to the concerns raised by Pub. L. No. 111-146 or Pub. L. No. 111-295. Indeed, we see no reason to restrict trademark owners from enforcing the rights they have developed through use of their marks in U.S. commerce, whether or not such rights have been registered with the USPTO. To the extent that parties believe they have been unfairly treated during litigation, they have the right to seek sanctions or attorneys' fees in appropriate cases. Although the threat of sanctions under Rule 11 and attorneys' fees under the Lanham Act are appropriate methods to combat abusive conduct in trademark actions, it is to the credit of the federal courts and the USPTO in their application of trademark law that rights owners are not inclined to misuse their rights and bring meritless actions. Because courts have appropriately set the boundaries as to the rights that can be asserted and the kinds of actions that will succeed, and have been fairly consistent in doing so, trademark owners are well aware of their rights and limitations. Thus, the threat of penalties deters misuse, even though, according to members' responses, these penalties are not often imposed. Accordingly, it appears that the existing regimes to handle abusive conduct are sufficient to address concerns of abusive trademark litigation conduct.

We appreciate the invitation to provide these comments, and welcome the opportunity for further discussions about specific proposals to use Federal government resources to address trademark rights and their enforcement. We look forward to such future discussions.

Sincerely,

Marylee Jenkins
Chair, ABA IPL Section

Pursuant to the Trademark Technical and Conforming Amendment Act of 2010, Pub. L. No. 111-146, 124 Stat. 66 (2010), as amended by the Copyright Cleanup, Clarification, and Corrections Act of 2010, Pub. L. No. 111-295 (Dec. 9, 2010), the Secretary of Commerce, in consultation with the Intellectual Property Enforcement Coordinator, is conducting a study on the extent to which small businesses may be harmed by litigation tactics of trademark owners attempting to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to them. In connection with the study, the ABA IPL Section is requesting feedback from its members regarding their experiences with such litigation tactics to determine whether legislative intervention is required.

Please complete the following survey no later than December 23, 2010.

1. Please select one that applies:

   A. I am employed as in-house counsel for a corporation or other organization

   B. I work in a law firm

   C. I work in academia

   D. I am employed by the government

2. What is the general size of the organization you work for?

   A. 1-10 employees

   B. 11-49 employees

   C. 51-100 employees

   D. 101-500 employees

   E. 501-1,000 employees

   F. Over 1,000 employees

3. Approximately how much of your individual practice is dedicated to trademark litigation, prosecution, or counseling?

   A. Less than 25%

   B. Between 25% and 50%

   C. Greater than 50%

   D. My practice is exclusively trademark

4. Approximately how much of your firm's or company's practice is dedicated to trademark litigation, prosecution or counseling?

   A. Less than 25%

   B. Between 25% and 50%

   C. Greater than 50%

   D. Exclusively dedicated to trademark practice

5. Approximately how many trademark applications and registrations do your company presently own, or does your law practice presently handle?

   E. 1-10

   F. 11-50

   G. 51-100

   H. 100-1,000

   I. Over 1,000

6. In the last 5 years, do you have first-hand knowledge of any instances in which a small business may have been the target of litigation tactics in which the purpose or effect was to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner?

   A. Yes, I know of more than five instances where this has happened

B. Yes, I know of two to five instances where this has happened.

C. Yes, I know of one instance where this has happened

D. No, I have no first-hand knowledge of these instances.

7. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding before the Trademark Trial and Appeal Board of the U.S. Patent and Trademark Office ("TTAB") in which any of the following litigation tactics have been used by your opponent or your opponent's client:

   A. Attempting to enforce a registered mark beyond classes of goods or services that could reasonably be considered "related" to the class of goods or services covered by the registration?

   B. Attempting to enforce a mark registered on the Supplemental Register for less than five years in a class of goods or services not covered by the registration?

   C. Attempting to enforce an alleged trademark that could not reasonably be considered eligible for trademark protection?

8. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which the Court (or the TTAB) rejected all of the plaintiff's trademark-related claims against your company or client on a motion for summary judgment?

   E. Yes, this has happened more than ten times

   F. Yes, this happened more than once, but less than ten times

   G. Yes, once

   H. No.

9. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years involving a small business as

defendant where the court required the plaintiff to pay the defendant's attorneys' fees, or imposed sanctions against the plaintiff under Rule 11 of the Federal Rules of Civil Procedure?

A. Yes, more than five times

B. Yes, between two and four times

C. Yes, once

D. No

10. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent withdrew its claims before your client filed its answer or other response opposing the allegations?

A. Yes, more than ten times

B. Yes, between two and nine times

C. Yes, once

D. No

11. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent withdrew its claims after your company or your client filed its response opposing the allegations, before any further motion practice or discovery?

E. Yes, more than ten times

F. Yes, between two and nine times

G. Yes, once

H. No

12. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent withdrew

its claims after your client filed a counterclaim seeking cancellation of your opponent's registration or pending application, before any further motion practice or discovery?

A. Yes, more than ten times

B. Yes, between two and nine times

C. Yes, once

D. No

13. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent had more significant litigation resources and subjected your company or your client to constant and unreasonable motion practice?

E. Yes, this happens often

F. Yes, this occasionally has occurred

G. No

14. Has your company or your client within the past 5 years ever complied with the demands of a cease and desist letter involving trademark rights, even though your company or your client believed that your company or your client would have prevailed if the parties had litigated?

A. Yes, more than twenty times

B. Yes, between six and twenty times

C. Yes, between two and five times

D. Yes, once

E. No

15. Do you agree that trademark "bullies" are currently a problem?

A. Agree strongly

B. Agree somewhat

C. Disagree somewhat

D. Disagree strongly

E. No opinion.

16. Do you think aggressive litigation tactics are more pervasive in the trademark area than in other areas of the law?

A. Agree strongly

B. Agree somewhat

C. Disagree somewhat

D. Disagree strongly

E. No opinion

17. Which of these statements best reflects your view on aggressive litigation tactics?

F. Aggressive litigation tactics are **significantly more** pervasive in the trademark area than in other areas of the law

G. Aggressive litigation tactics are **somewhat more** pervasive in the trademark area than in other areas of the law

H. Aggressive litigation tactics are **no more or less** pervasive in the trademark area than in other areas of the law

I. Aggressive litigation tactics are **somewhat less** pervasive in the trademark area than in other areas of the law

J. Aggressive litigation tactics are **significantly less** pervasive than in other areas of the law

K. Not sure

18. Do you think that the USPTO has a responsibility to do something to discourage or prevent trademark bullying?

A. Yes

B. No

C. Not sure

19. Do you think that the U.S. courts have a responsibility to do something to discourage or prevent trademark bullying?

A. Yes

B. No

C. Not sure

20. Do you think that other U.S. agencies may have a responsibility to do something to discourage or prevent trademark bullying?

A. Yes

B. No

C. Not sure

21. Do you think that Congress has a responsibility to do something to discourage or prevent trademark bullying?

A. Yes

B. No

C. Not sure

22. Please provide any other comments that you may have, including a brief description (without naming any involved parties) of situations where you, your company, or your client, have been involved in trademark litigation before the courts, in opposition/cancellation proceedings before the TTAB, or in connection with a cease-and-desist letter involving a small business. Anecdotal information might include, but is not limited to, a description of whether the letter, lawsuit, or USPTO proceeding resulted in a settlement whereby a small business ceased its use of one or more marks, agreed to abandon its application(s) for one or more marks, or whether the sender of the cease-and-desist letter or plaintiff in the litigation

withdrew or abandoned its demands/trademark-related allegations against the small business owner.

23. Please provide any other comments that would assist the ABA-IPL in determining whether to pursue legislative solutions to trademark bullying.

1. Please select one that applies:

#	Answer	Bar	Response
1	I am employed as in-house counsel for a corporation or other organization		37
2	I work in a law firm		237
3	I work in academia		5
4	I am employed byt the government		7

2. What is the general size of the organization you work for?

#	Answer	Bar	Response
1	1-10 employees		60
2	11-49 employees		36
3	51-100 employees		28
4	101-500 employees		65
5	501-1,000 employees		31
6	Over 1,000 employees		60
	Total		280

3. Approximately how much of your individual practice is dedicated to trademark litigation, prosecution, or counseling?

#	Answer	Bar	Response
1	Less than 25%		93
2	Between 25% and 50%		70
3	Greater than 50%		84
4	My practice is exclusively trademark		24
	Total		271

4. Approximately how much of your firm's or company's practice is dedicated to trademark litigation, prosecution or counseling?

#	Answer	Bar	Response
1	Less than 25%		189
2	Between 25% and 50%		51
3	Greater than 50%		23
4	Exclusively dedicated to trademark practice		7
	Total		270

5. Approximately how many trademark applications and registrations do your company presently own, or does your law practice presently handle?

#	Answer	Bar	Response
1	1-10		33
2	11-50		36
3	51-100		20
4	100-1,000		79
5	Over 1,000		97
	Total		265

6. In the last 5 years, do you have first-hand knowledge of any instances in which a small business may have been the target of litigation tactics in which the purpose or effect was to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner?

#	Answer	Bar	Response
1	Yes, I know of more than five instances where this has happened		29
2	Yes, I know of two to five instances where this has happened		78
3	Yes, I know of one instance where this has happened		42
4	No, I have no first-hand knowledge of these instances.		101
	Total		250

7. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding before the Trademark Trial and Appeal Board of the U.S. Patent and Trademark Office ("TTAB") in which any of the following litigation tactics have been used by your opponent or your opponent's client:

#	Answer	Bar	Response
1	Attempting to enforce a registered mark beyond classes of goods or services that could reasonably be considered "related" to the class of goods or services covered by the registration?		76
2	Attempting to enforce a mark registered on the Supplemental Register for less than five years in a class of goods or services not covered by the registration?		3
3	Attempting to enforce an alleged trademark that could not reasonably be considered eligible for trademark protection?		53
	Total		132

8. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which the Court (or the TTAB) rejected all of the plaintiff's trademark-related claims against your company or client on a motion for summary judgment?

#	Answer	Bar	Response
1	Yes, this has happened more than ten times		4
2	Yes, this happened more than once, but less than ten times		24
3	Yes, once		17
4	No		180
	Total		225

9. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years involving a small business as defendant where the court required the plaintiff to pay the defendant's attorneys' fees, or imposed sanctions against the plaintiff under Rule 11 of the Federal Rules of Civil Procedure?

#	Answer	Bar	Response
1	Yes, more than five times		2
2	Yes, between two and four times		3
3	Yes, once		9
4	No		213
	Total		227

10. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent withdrew its claims before your client filed its answer or other response opposing the allegations?

#	Answer	Bar	Response	%
1	Yes, more than ten times		5	2%
2	Yes, between two and nine times		33	16%
3	Yes, once		33	16%
4	No		136	66%
	Total		207	

11. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent withdrew its claims after your company or your client filed its response opposing the allegations, before any further motion practice or discovery?

#	Answer	Bar	Response
1	Yes, more than ten times		8
2	Yes, between two and nine times		40
3	Yes, once		28
4	No		129
	Total		205

12. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent withdrew its claims after your client filed a counterclaim seeking cancellation of your opponent's registration or pending application, before any further motion practice or discovery?

#	Answer	Bar	Response
1	Yes, more than ten times		4
2	Yes, betweend two and nine times		19
3	Yes, once		21
4	No		148
	Total		192

13. Has your company or your client ever been involved in a trademark-related lawsuit or opposition/cancellation proceeding within the past 5 years in which your opponent had more significant litigation resources and subjected your company or your client to constant and unreasonable motion practice?

#	Answer	Bar	Response
1	Yes, this happens often		17
2	Yes, this occasionally has occurred		72
3	No		101
	Total		190

14. Has your company or your client within the past 5 years ever complied with the demands of a cease and desist letter involving trademark rights, even though your company or your client believed that your company or your client would have prevailed if the parties had litigated?

#	Answer	Bar	Response
1	Yes, more than twenty times		4
2	Yes, between six and twenty times		31
3	Yes, between two and five times		80
4	Yes, once		28
5	No		50
	Total		193

15. Do you agree that trademark "bullies" are currently a problem

#	Answer	Bar	Response
1	Agree strongly		30
2	Agree somewhat		78
3	Disagree somewhat		37
4	Disagree strongly		36
5	No opinion		17
	Total		198

16. Do you think aggressive litigation tactics are more pervasive in the trademark areathan in other areas of the law?

#	Answer	Bar	Response
1	Agree strongly		11
2	Agree somewhat		40
3	Disagree somewhat		54
4	Disagree strongly		59
5	No opinion		33
	Total		197

17. Which of these statements best reflects your view on aggressive litigation tactics?

#	Answer	Bar	Response
1	Aggressive litigation tactics are significantly more pervasive in the trademark area than in other areas of the law		5
2	Aggressive litigation tactics are somewhat more pervasive in the trademark area than in other areas of the law		39
3	Aggressive litigation tactics are no more or less pervasive in the trademark area than in other areas of the law		86
4	Aggressive litigation tactics are somewhat less pervasive in the trademark area than in other areas of the law		25
5	Aggressive litigation tactics are significantly less pervasive than in other areas of the law		13
6	Not sure		28
	Total		196

18. Do you think that the USPTO has a responsibility to do something to discourage or prevent trademark bullying?

#	Answer	Bar	Response
1	Yes		73
2	No		78
3	Not sure		47
	Total		198

19. Do you think that the U.S. courts have a responsibility to do something to discourage or prevent trademark bullying?

#	Answer	Bar	Response
1	Yes		142
2	No		33
3	Not sure		23
	Total		198

20. Do you think that other U.S. agencies may have a responsibility to do something to discourage or prevent trademark bullying?

#	Answer	Bar	Response	%
1	Yes		38	19%
2	No		100	51%
3	Not sure		59	30%
	Total		197	

21. Do you think that Congress has a responsibility to do something to discourage or prevent trademark bullying?

#	Answer	Bar	Response
1	Yes		87
2	No		73
3	Not sure		38
	Total		198

22. Please provide any other comments that you may have, including a brief description (without naming any involved parties) of situations where you, your company, or your client, have been involved in trademark litigation before the courts, in opposition/cancellation proceedings before the TTAB, or in connection with a cease-and-desist letter involving a small business. Anecdotal information might include, but is not limited to, a description of whether the letter, lawsuit, or USPTO proceeding resulted in a settlement whereby a small business ceased its use of one or more marks, agreed to abandon its application(s) for one or more marks, or whether the sender of the cease-and-desist letter or plaintiff in the litigation withdrew or abandoned its demands/trademark-related allegations against the small business owner.

We have been involved as counsel in a number of cancellation proceedings where it ended up being cheaper to "license" the mark in question than continue in the process before the United States Patent & Trademark Office. We could not convince the TTAB counsel to limit discovery and move the cases in a summary fashion. The license agreements are farces in terms of legality. We happened to get caught in a situation where what we would describe as a "trademark troll" lawyer found a client to hound our client and others. When we looked at the United States Patent & Trademark Office records, we found he was involved as counsel in over 50 cancellations in 5 years, none of which ever went to trial - as was the case in the 4 he filed against our client.

Large companies sending cease and desist letters, demands for monies to be paid and the attached agreement signed or else they will sue, and continued refusal to provide the registration numbers of the alleged IP rights that they hold, insisting settlement require small business to pay all attorney fees should they ever have a dispute again, insisting on signature without letting small entity know what they are supposed to avoid doing based on specific IP rights - just whatever the large entity might state in the future.

Have been involved in two proceedings in the past year - one an opposition, the other a cancellation - in which a large company with substantial resources filed an opposition proceeding against my clients, who were both small businesses. Both of the claims were completely without merit and were reaching far beyond their trademark rights. However, due to a lack of funds to pursue TTAB proceedings, both of my clients were forced to abandon their trademarks, even though the opposing parties' claims were without merit. We tried to negotiate coexistence agreements, even though we did not feel that even that would be required, but the large opposing parties were unwilling to even consent to our continued use. Client maintains a website which promotes healthy lifestyles and related brands. Client filed an application for the name of the website covering the website and related software. Cease & desist letter sent by major computer hardware and software manufacturer. Client discontinued use or mark and is filing an express abandonment of the registration for its mark. Client's mark only contained one similar word to the mark owned by the plaintiff. Client (small business) stopped using Roobus (Red) descriptive term rather than litigate against Republic of Tea

A small local partnership was forced to change its name when a business in a tangentially-related field claimed infringement of its slightly different trademark. My client, faced with a cease-and-

desist letter, brought a declaratory judgment action for non-infringement. The other party counterclaimed for infringement. The parties settled the matter during discovery. I then believed, and my client believed, that if we took the matter to trial my client would have prevailed. However, the other party had significantly more resources and the ultimate settlement was reached because my client did not want to spend the time and money to take the matter to trial.

No comment

There is no difference in the trademark field than any other field.....and probably less. I recently represented a fortune five hundred company against a pro se defendant in a trademark lawshit. The case settled, and the court bent over backward to make sure the defendant was treated fairly. There is no more bullying in this field than any other. Often, small companies will fight more fiercely to defend trademark rights, and will be more aggressive in asserting them, especially if they think they have a deep pocket on the other end.

My practice includes representation of both trademark owners and accused infringers. Most of the matters I handle resolve themselves based on the relative merits of the matter, as opposed to "bullying" tactics by one party or the other. As a general matter, I think that any attempt to legislate against trademark "bullying" is fraught with problems. The current system of fee shifting -- whether by a Lanham Act award in exceptional cases, Rule 11, or the inherent powers of the courts, acts as a deterrent in several ways. First, because it is not likely that fees will be awarded, combined with the high cost of IP attorneys, there is a disincentive on the part of most parties to engage in "bullying." Second, the courts have become more educated in trademark cases, which allows them to see through the smoke and mirrors that bullying attorneys are forced to raise. I believe that any solution should apply to all victims of trademark bullying and not be limited to small businesses.

In one matter a trademark owner attempted to enforce its US rights in a foreign territory in which it had significantly less rights in US Federal Court. The owner filed significant prelimiary relief pleadings and very aggressively litigated other preliminary motions (motion to dismiss, etc.). This cost our client over $60,000 in defense costs before the matter was dismissed. Court only granted defendant atty fees under a prior license agreement. Client was still in the hole. This was the third suit filed against this client by the same company, the prior 2 settled with an overreaching license agreement because client could not afford to litigate - plaintiff bullied defendant into more than it was entitled. In another a plaintiff aggressively attempted enforcing a naked and territorially limited trademark license agreement against a defendant with superior rights. Again, the costs of litigation and lack of a right to attorneys fees for a successful defense allowed the TM bully to prevail by obtaining an effectively unfair settlement.

Too often what appears to be over reaching may not be over reaching. It is sometimes perceived as being over reaching because the recipient does not know the facts behind the demands being made. Usually through negotiation, the parties are able to resolve the issues.

Although I have no empirical evidence, I suspect that bullying of the sort described is much more prevalent in patent litigation, because of the prospect that damages may be awarded against the defendant and because of the higher cost of litigation. This quite often results in a defendant

paying tribute to the plaintiff to avoid those risks and costs even when the defendant firmly believes it should prevail. In trademark litigation (and certainly in opposition/cancellation proceedings) there is little risk of monetary liability, and the accused party can defend its rights much more cheaply - so the bully has considerably less leverage.

Economic "bullying" (if you want to call it that) can happen in all litigation areas, but needs to be dealt with on a case by case basis. The obligation of the lawyer facing it is to make a record of what is happening, and to advise the client appropriately. While the client may have the better of the merits, for business reasons (recognizing reality) it may not be worth the litigation costs to continue.

Trying to legislate this seems futile - it's part of our system. I don't see the extreme abuse (objective sham litigation) that this survey seems to raise.

if you're a big company that has one of the big law firms on retainer, chances are that one of these overreaching suits will be filed against a party deemed too small to be able to fight and thus would likely abandon its mark than fight.

Trademark laws protect consumers against confusion, mistake and deceit. "Trademark bullying" seems to be a term coined by those who do not believe in having to create their own distinctive trademark. Instead, they want to ride on the coattails of others, all to the detriment of consumers who have the right to rely upon the trademark in selecting their goods and services without being confused or deceived.

n/a

Have pursued trademark infringers where the facts supported such pursuit. Don't send c&d letters unless I'm prepared to follow through, and do when needed. Infringers almost uniformly ceased their infringing activities without my having to file suit. In one instance, infringer decided to play out the dispute in the press, which caused client a lot of angst but in the end did not prevent a successful resolution of the matter in client's favor.

Below are descriptions of instances in which I had clients who incurred significant legal fees only to settle what I believed were meritless trademark claims (probably are many others, these are just the most recent examples): 1. Large national company sued my small local client, alleging trademark infringment even though the companies were both in highly regulated industries where there could be, as a matter of law, no overlap due to licensing requirements. 2. Large regional company filed a petition to cancel my smaller client's trademark, even though it was indisputable that my client had priority. (TTAB refused to dismiss claims by refusing to take notice of larger company's sworn statements to the PTO regarding first dates of use.) 3. Large national company sued my small local client for trademark infringement, even though minimal investigation would show that local client had priority in the region. 4. Large international company using an acronym as trademark filed an opposition to my smaller local company's trademark application, even though the applied-for mark had been in use for many years and was being used in a completely different field than the large company's registrations. Discovery

showed that this company routinely filed oppositions to (or petitions to cancel) any mark that had two or more letters the same as the acronym trademark, seemingly regardless of field.

I represented def't, who had been approached by pltf's attorney earlier. Pltf was trying to extend trademark beyond any reasonable geographic limit, but def't was a great cook, no expert on trademarks, and capitulated. When he reneged on taking trademark off his restaurant building, pltf sued. Def't did not have the money to pay for a defense, and ended up paying for most of pltf's attorney fee plus rebranding his restaurant at great expense. No way any customer would have been confused or misled..

This is a serious problem. Companies with vast resources see no down-side risk to asserting completely bogus claims. Three instances are illustrative: A. This matter is currently outstanding. The trademark holder owns a registration for a common, generic term. It has a registration for the term on somewhat different products, prints and publications discussing the common term/industry. Within the past 60 days, the USPTO has held that the term, when applied to the very goods covered by my client's product designation (my client doesn't even consider the term to be a trademark, but rather, a mere product designation) to be so descriptive it cannot be registered. Despite that, the trademark registrant has threatened litigation over my client's use of the mark in a wholly descriptive sense -- as the USPTO has just held. B. In another instance, a well-known and oftenused industry term, considered by the industry to be generic, was the subject of a trademark infringement suit, the real purpose of which was a restraint of trade. C. Most frequently, so-called licensing agents, operating on a contingent fee basis, don't really care whether there is likelihood of confusion. Without exception, they operate on the premise that their clients own the words that comprise the marks and that Bogus trademark claims have become epidemic. Clients wonder whether the trademark system is just broken, given that trademark bullies seem to run roughshod over small entities with limited resources.

The premise of the survey does not identify the more pressing problem, which is bullying by smaller entities. The discovery demands are more onerous on larger entities that will have more documents to gather, more computer systems to search, and more individuals to interview. Smaller entities are aware of these discovery burdens and push for unreasonable settlements from their adversaries who wish to avoid further disruptions and expenses in litigation.

While I have experienced instances of aggressive, and even over-aggressive litigation strategies, these have generally been more than adequately handled by the judge or tribunal hearing the case. I am also aware of very few instances in which a trademark plaintiff has asserted an unreasonably broad rights claim. I have extensive experience in cases in which the issue whether the rights in a particular trademark used and registered for particular goods extend to other unrelated or only distantly related goods or services, but believe that such claims are not themselves necessarily unreasonable. Any action to place artificial limits on the scope of claims that may be made by plaintiffs ignores the fact that consideration of the similarity and the confusing similarity of two trademarks engages a number of factors beyond emrely the classes of goods or services in which a trademark is registered or used, and would usurp the traditional role of the courts and juries in determining whether there is a reasonable likelihood of confusion between two trademarks. Such limitation would also have the potential of transforming or inserting into the likelihood of confusion analysis an evidence of confusion requirement.

Use of a loser pays process in trademark enforcement might help to stem the tide. It may have unintended consequences, but it also would help to bring BOTH parties to the table for mediation.

Large company started a lawsuit, demanded a rapid trial and took extensive discovery in a short period of time, necessitating small client pay for simulataneous work of six defending attorneys. Large company settled shortly before trial and paid to purchase small client's trademark after client spent a large amount for legal fees (and client withstood the litigation onslught without givng up).

My client's registration was challenged by a small company that sold noncompeting goods in a different market. The other company alleged "trademark dilution" for a mark that could by no stretch of the imagination be considered "famous." My client wasn't selling enough goods to warrant incurring legal fees to defend the registration and didn't fight.

I believe the wording of the initial question is skewed, "In the last 5 years, do you have first-hand knowledge of any instances in which a small business may have been the target of litigation tactics in which the purpose or effect was to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner?" I represent small business owners and entrepreneurs, and what I find is a large number of other business owners infringing my clients' rights. Then, when my client fights back, the thief gets mad. Perhaps we should be discouraging theft and encouraging protection of rights. My clients work really hard to build a protectable brand. It seems somewhat unfair that the ABA and the USPTO should support the unlawful theft of such brands. It has happened quite a number of times that a better-funded party asserting trademark rights against a lesser-funded party, has obtained concessions that it otherwise would not have obtained had the lesser-funded party been able to afford to fight. All of the above-listed occurences have happened to clients of mine, during my years of practice. About the only time a smaller party has prevailed and maintained using its mark, is during those few instances when we have been able to prove its national priority, and the smaller party has threatened to initiate a Cancellation Proceeding.

This is more prevalent when TM claims are part of a patent litigation.

The bulk of my involvement with trademark litigation involving small business has concerned cases in which those same small businesses were engaged in deliberately infringing activities in which they were blatantly attempting to "palm off" their goods/services as those of the registered mark holder. As such, I cannot say that I have experienced situations in which I felt that small businesses were being "bullied" by mark holders.

Bullying tm claims, reflected in proposed settlement agreement, which would have small business adopter of a tm big co wants, agree not to use whatever big claims is a tm, including no "trademark, fair, incidential, descriptive, or functional use" and including whatever big decides to claim as proprietary in the future. How small is to know that future so there is due notice... Big basically saying it claims everything it wants. Big claims rights for, inter alia ... "owner, cleared for use, or which may be in the future (irrespective of the class or nature of goods or services)".

Small Business Restuarant client of mine had been using a trademark locally for over 15 years. Big Restaurant Chain from out-of-state got the exact same name registered with the USPTO. Big has been using the name for less than 3 years. Both marks are for Cuban-themed restaurants. Immediately after registration, Big sent Small a Cease & Desist. Small then registered the name with the State, and asked only to be left alone. For the last few months, Big has been sending nasty Cease & Desists, threatening to sue Small if Small does not forfeit the name and the State registration. Small is worried that they will have to spend big money to defend themselves in litgation.

Plaintiff owns several utility patents for a family of products. Sent cease and desist on patent infringement and trademark (trade dress) infringement. Plaintiff claims trade dress in what used to be patented product (but patent has since expired). Plaintiff tried to obtain trade dress registration from PTO, but was rejected. Plaintiff appealed, but was also rejected (de jure functionality). Plaintiff still asserting trade dress in court for millions of dollars of claimed damages. Client has now spent more than 10 times profits defending the case and at least double the profits in summary judgment motion pleading. We won't have a court ruling for some time, so we may end up in trial over this clear trademark bullying.

Most of the trademark bullying reflected in these responses, when the questions did not specifically refer to the USPTO, occurred abroad. under the jurisdiction of some other nation.

The worst instance was with a well-funded sporting goods company, filing an opposition to my small client's trademark based on a logo that did not resemble my client's mark. The opposition proceeding caused my client to withdraw the trademark application. In this case, the client was (I believe) strongly influenced by one of its financial backers who was afraid that litigation would hurt his (the backer's) reputation and ability to obtain credit if the case went forward.

I have been involved in trademark opposition proceedings against small companies who abuse the process by refusing to engage in meaningful discovery, including the production of documents and scheduling of depositions. When we file a motion to compel, the result is delay, which allows the applicant to continue to avoid discovery and delay a decision on the merits. Eventually they give up rather than produce documents or engage in any meaningful discovery. This is an abuse of process because it is a tactic designed to force the trademark owner to spend time and money on a matter that the applicant never seriously intended to pursue.

In my 35 + years of trademark practice I have had very few cases of "bullying". Maybe because if a client can afford to pay our firm, they have at least enough resources not to be bullied (although most clients cannot afford the cost of litigation to the end, we obtain settlements that fit the sitation). In the one recent cast in which we experienced "bullying", our client was able to afford to hold its own, but it was ridiculous and beyond the pale. The opponent had no use, no intent to use and piled discovery requewsts and inundated us with useless discovery responses. Used all available tactice to delay, etc. etc. When we requested a deposition of their client (who was a famous person), they quickly settled the case. My impression and those with whom I cosulted, was that this firm had a reputation for such tactics. In another, not so recent case, a client was the victim of Leo Stoller's quest to take over all the "Stealth" marks. They quickly

capitulated because they didn't care to spend their resources on what to them was an unimportant mark. So I don't think it's a matter of bullying a small business, rather the tactics certain law firms or lawyers use to try to gain an upper hand, and that the great majority of cases, the mark does not warrant a fight to the death.

"Trademark bullying" itself is a "bullying" term--not intended to promote thought or dialogue but to further an agenda. All those in favor of bullies, please step forward! And the "bullying" in the trademark arena (defined as overly aggressive efforts to extend improperly trademark rights) occurs as or more frequently by small companies trying to extort money or concessions out of larger companies.

Fair use not recognized by trademark owners; legal names versus trademarks (eg, alleging trademark infringement of a corporate name of a holding company wherein the corporate name is never used as a trademark)

Trademark bullying is not a large vs. small company issue. Perphaps the most consciously active bullies are those who see litigation as a profit center and these are often small companies and small firms. Large companies are often the subject of trademark bullying tactics and they are successful because of the high cost of litigation that any sane person or company with a budget would want to avoid.

Because this area of the law is so fluid, given consumer perceptions (acquired distinctiveness and likely confusion) and difficulties in quantifying the value trademark rights, aggressive litigation efforts can often yield fruitful results for the trademark owner. For the overly I disagree that bullying efforts

I have had a few instances within the past few years. One was a European company that was a finding service that found items, such as cars, that sent a cease and desist letter to my client demanding my client stop using its name after it registered the name with the state secretary of state and bought a domain name and before my client event offered or indicated what its services were. My client is a very small start up business in the US, and from what I could tell the European company didn't even do business in the US. The other was a cease and desist letter to another small start up (as in organized four months before the cease and desist letter and had just launched its website a month before the cease and desist letter) claiming my client was infringing on its trademark even because they sold the same type of products to the same type of market, but the names were nothing similar.

There are numerous cases in which the threat to bring a baseless TM claim, or the actual filing of such a suit, has been used to induce providers of interactive computer services to take down criticisms.

Dilution laws should be re-examined and revised.

On several occasions, I have been involved in cases where a client opted to cease use of its mark solely for purposes of avoiding litigation even though I believed that the client's mark was non-infringing. I have also been involved in opposition/litigation proceedings where a suing

trademark owner's mark was weak, ill-defined, barely in use (if at all), and/or did not have priority over the purported junior user. While this is not the norm, it does happen on a frequent enough basis to be considered a problem.

Had a client that due to the litigation expense had to settle and then closed down the business.

If a case is not legitimate, there are ways to have the courts address just as in any other litigation.

Many years ago a lawyer representing a mom and pop having a very local, small business asked for my help in a situation in which a major corporation not doing business in their state had a Washington attorney pay a visit to the clients. He threatened dire action (including shutting down their business) if they didn't immediately stop using their trade name and mark. My advice was to file an antitrust complaint against the corporation and attorney. I drafted the complaint, and it was filed by the lawyer. Other than receiving a plea for mercy from the Washington attorney, I do not know what happened thereafter, although I suspect there was a settlement. My point is there already might be remedies.

We have had several occasions where client's valid trademarks have been challenged by large corporations who are seeking to "pre-empt the field" by filing oppositions or even court challenges to marks that have been approved for publication or used for years without challenge in International Classes unrelated to the classes where the other larger parties may have a registered mark.. These large companies generally back down if they realize that there is going to be a real fight, but the expense of litigation will frequently cause smaller corporations to abandon an otherwise valid mark. More frequent awards of attorneys fees and costs to prevailing parties would help to dissuade this practice.

Aware of Defendent in oppositon proceeding who sought to overwhelm Plaintiff by vigorous efforts.

Very rarely have we been in situations where litigation or TTAB proceedings have commenced over a use of a trademark. Usually, we receive a cease-and-desist letter and end up complying with the request. It is far more costly to try to enforce what we believe to be our rights than to capitulate to a request to cease using someone's alleged "trademark." In many of these instances, the person claiming their trademark is being violated either lacks a proper registration, lacks a proper registration in the relevant class, or lacks a proper registration for the type of good covered.

I believe that the TEFLON trademark is a perfect case of a mark that is used in trademark bullying. The corporate owner of that mark takes a scorched earth policy of enforcing its mark in order to combat claims of genericness. However, I think a middle ground is more appropriate.

In one instance, my client was attacked by a trademark bully who had a practice of having its in-house legal staff sue small, out of state businesses for minor or marignal infractions and then demand large settlement payments upon the explicit threat of massive litigation expenses, even if the defendant immediately ceased the allegedly infringing activity. We stopped use of the trademark, but refused to comply with the payment demand and, as a result, litigated through the

court of appeals. In the end, the defendant paid nothing to the plaintiff. However, the defendant did suffer serious economic injury by being forced to endure the litigation process. In another instance, my client was sued with no advance notice by a large corporate trademark owner for infringement of a mark in an unrelated product line. We did some investigation and found that the trademark in issue was used in what appeared to be a scheme to avoid paying millions of dollars in state income tax. Upon filing of our counterclaim for trademark misuse, the case was dismissed by the plaintiff.

I have had two cases in the past year where ridiculous claims were made under the Lanham Act by large companies trying to run smaller companies out of business. In each case I represented the "little guy" a defendant with fewer years in business but a growing company gaining market share. Fortunately, in both cases I was able to get CGL insurance carriers to pay to defend the claims. In one of the cases there was no trademark registration at all, the claims were common law infringement and Lanham Act "unfair competition." After insurance defense was secured that case settled quickly for minor web modifications and no money paid to the defendant. In the other case the litigation is ongoing. Here, the "little guy" won an account away from the "big guy" and then got sued in a frivolous case over a trademark that is not even being used by the owner that has no strength, practically no sales and not to the same markets, completely different packaging and no evidence of confusions or intent to confuse.

I have seen many instances where large companies have threatened trademark litigation against small business who had registered legitimate domain names, but where the trademark owner threatened legal action and the small business turned over the domain name, despite a valid right to it, in order to avoid the cost of litigation.

I had an established business opposed by a start-up having just a later-filed, ITU TM application for the same goods and same mark, where the start-up got pro bono counsel in the case and defended on worthless grounds but ran up our bills in prosecuting the case.

The one case I mentioned where the client agreed to stop using the allegedly infringing product involved a product that the client had already stopped using because of quality problems, as had the company alleging infringement. The plaintiff had filed three identical lawsuits in the state courts of three different states, all of which my client removed to federal court based on trademark and copyright federal question jurisdiction, even though both the plaintiff and my client had stopped using the particular version of the product at issue due to quality problems. After my client agreed to entry of an agreed injunction saying it would cease using that version of the product (because it already had ceased using it), the plaintiff gave copies of the injunction order to all of its sales reps for use as a marketing tool in the field, so the reps were showing it to potential customers and implying that my client was unscrupulous, untrustworthy and otherwise a bad company to do business with. Depositions currently underway also make clear that the triple lawsuit attack was made solely for marketing purposes, as the plaintiff's attorneys are using discovery to attempt to uncover trade secrets, customer lists, and marketing information, as well as anything "bad" their client could use to attack my client or discredit my client with potential customers.

23. Please provide any other comments that would assist the ABA-IPL in determining whether to pursue legislative solutions to trademark bullying.

Not in favor of legislation

If a company threatens to enforce IP rights against another and does not identify the IP rights it intends to enforce, they should be subject to sanctions for improper use of the judicial system.

Trademark litigation is much more relaxed than other areas of litigation. The notion of a "trademark bully" is largely a fiction. There are occasion in which a party with more resources than its opponent will use those resources to its advantage, but that is true in all areas of litigation, and indeed is less prevalent in tradmark than other areas of law. There is ample protection against parties that overreach in the existing rules.

Intellectual property, as a class, is subject to bullying as the federal practitioners are less likely to see each other more than once in a career so that civility is not enforced by the profession as it is in local practice in non-intellectual-property matters. The existence of Rule 11 is nice, but is an imperfect tool not wielded where it should be and threatened (by judges appointed for life) where it should not be used. Perhaps special masters should be employed in all cases to initially vet all pleadings.

Courts should be allowed (by a legislative change in Lanham act) to award Small Business' to recover "prevailing party" attorney fees when facing larger richer plaintiff, even if plaintiff's actions had some color of merit. Use the standards of DOL to determine status as Small Business.

Legislative solutions to trademark bullying, IF such practices occur (and I don't believe that they do with any regularity), are not warranted. Rather instances of trademark bullying should be dealt with before the TTAB or in the courts on a case-by-case basis.

No comment

This field is no different than any other in terms of "bullying", and probably a lot more genteel. Often plaintiffs are the small business owners, or trademark registrants. There is simply no legislation needed.

I have always used the term "extortion" rather than "bullying" to describe this problem

I would shy away from any legislative solution.

I believe an initial prelimiary finding on enforceabilty of a litigated mark would be ideal along with statutory entitlement to attorneys' fees for the prevailing party on the preliminary finding. Like a bifurcation requirement that can be requested by a defendant with limited preliminary discovery.

Justice Scalia in Professional Real Estate - is it objectively baseless. This has already been addressed in the courts as far as I'm concerned.

Trademark laws protect consumers against confusion, mistake and deceit. "Trademark bullying" seems to be a term coined by those who do not believe in having to create their own distinctive trademark. Instead, they want to ride on the coattails of others, all to the detriment of consumers who have the right to rely upon the trademark in selecting their goods and services without being confused or deceived. Trademark bullying legislation is contrary to the purpose of the trademark laws. It will only serve to harm consumers and create more litigation (which, in turn, is good for trademark attorneys but not the consuming public).

All attorneys fees should go to the prevailing party automatically without the discretion of the Court..

Any attempt by Congress to draft "anti-bullying" legislation would be an enormous mistake -- how to define "bullying"? Such legislation would penalize trademark owners who invested time, money, and effort to enforce their trademark rights and would only subsidize the ability of infringers to infringe.

The Federal courts would appear to be best positioned to handle cases as they arose. Legislative solutions can reduce options just as easily as they can create them.

BLUE --- who owns that word ? at least one TM owner thinks it does

PTO needs to adopt Twombly/Iqbal standards for pleading, and needs to have more responsibility to dismiss weak cases early and without discovery (or minimal discovery).

It is my strong desire to see an end to trademark bullyint. Neither the courts nor the USPTO has th guts or incentive to do anything.

If a substantial majority of respondents identify real cases of overreaching, this might suggest that some potential liability be placed on overreaching plaintiffs -- for example, making costs and attorney fees available not only in exceptional cases, but at the discretion of the judge. This formulation could have the benefit of forcing over-reaching plaintiffs and defendants without solid defenses to reconsider their actiona and the possibility of settlement. However, consideration of such additional remedy should be considered in an open forum of stake holders.

"Bullying" occurring after a trademark registration has been granted is outside the jurisdiction of the USPTO. Bulllying during an inter partes proceedinmg at the PTO is within the PTO's jurisdiction. For Courts, it is the opposite.

in 35 years of practice I've only experienced a small handful of situations in which I thought our client was being "bullied" by the other party - i.e that party was using their greater resources to atempt to convince our client to agree to a resolution that they probably could not obtain in litigation. The vagaries of litigation being what they are, these cases are often unpredictable, especially in court. And the assessment of a case at the outset, before the discovery is in, is

usually more rosy for the client than later. Honestly, I believe that "bullying" in litigation in general is a pervasive problem when the party with more resources uses them to bolster a weak case, but less so in the trademark arena, and much less so before the TTAB. The ABA's resources would be better served to address this issue in the general context, rather that in the trademark context where it is much less of an issue.

What the ABA and USPTO might consider fighting are 44 (d) applications, whereby the applicant has not used and will not use the mark in the US, but has priority over a US applicant who has used the mark in commerce for many years, but didn't register. We say that the US is a first to use nation, but in fact, if a 44(d) applicant files before the long-using US applicant, the long-using US applicant loses out, unless they have a ton of money to fight.

In my experience, overly aggressive or unreasonable litigation by trademark owners is the same or less of an issue relative to other areas of the law.

Yes, generally, but more specifically at overly aggressive motion and discovery practice.

No easy solution. Judges too lax on attorney misbehavior, disliking to be kindergarden referees. Courts generally seem rather hostile to awarding attorney fees, and seem to assume most attorneys plump if not fraud the fee petition.

Recent 7th cir Lanham standard (fees only for plaintiff abuse of process or defendant pursing case when no valid defense and to impose costs on other party--too strict. With the American Rule, a bully can get away with much. Consider tempering the American Rule. GIVE THE TTAB AUTHORITY TO ISSUE MONEY SANCTIONS, same standard as courts, eg R 11, FRCP 37, etc.

If a trademark is rejected by the PTO and on appeal (ie, genericness, lack of secondary meaning, de jure functionality), then it should be be enforceable in court and there should be a prosecution history or some other type of defense available. Too often, I have seen non-trademarks be alleged in court for large sums of damages. It is a huge waste of time and money to have to prove to the court that the PTO (and possibly the TTAB) already has rejected the alleged mark, and therefore, the claim should be dismissed.

The bullied party itself bears the responsibility to speak up. At that point, the tribunal can intervene, but the tribunal does not bear the responsibility to ascertain the presence of bullying absent a request from a party, nor does the tribunal have a responsibility to assume that bullying takes place and to take preemptive steps when, in fact, no bullying has taken place or has been claimed to have taken place. And the last thing we need is for the Congress to assume that bullying takes place (or to be mislead into thinking so by a slanted survey such as this one) and, on that basis, to take its own action; any such action would be likely to chill the rightful enforcement of trademark rights by putting a thumb on the scales of justice in favor of politically prefered parties. The parties can speak up, and the tribunals can decide, case by specific case, whenever bullying does seem to have occurred. Please leave the Congress out of this. It is not equipped to deal case by case. Its generalizing would not be likely to bring protection to those

who need it and, at the same time, would risk harm to rightful plaintiffs. The only other agency that has a significant role to play in how trademarks are used is the FTC.

Groundless threats of litigation occur as often with patents and design patents as with trademarks, perhaps more frequently

The USPTO and the courts have the tools to discourage "bullying", but don't use them. The solution is not legislation. The solution lies in using the rules and laws already available.

My experioence with trademark litigation is that oppositions/cancellations tend to settle, while litigation in court tends to drag on and is much more likely to be influenced by the "bully" factor. The questions you asked, for example, about withdrawing claims before answers are filed or discovery is taken is the rule in oppositoins and cancellations. But in my experience, these are not unreasonable settlements or cases of "bullying". I believe that litigation in court, in general, is usually an inordinate and unwarranted expense. I do not believe that trademark cases are any worse than other cases, but are probably less expensive than others. It would be very strange for the ABA to begin to advocate remedies against bullying and expensive party-induced tactics and delays in trademark cases when other cases are much worse examples of these practices.

The USPTO should be more active in discouraging misuse of opposition and cancellation proceedings. The scope of trademark rights is inherently vague because of the nature of trademark law and the likelihood of confusion standard. It is more than ironic that Congress might be concerned about trademark bullying after passing the anti-dillution law whose parameters are virtually impossible to determine and encourage trademark bullying by providing a basis that makes it more difficult to dismiss cases on a summary basis, particularly with ginned up survey evidence.

This area of the law is quite fluid given consumer perceptions of acquired distinctiveness and likely confusion, and difficulties in quantifying the value of trademark rights at issue. In my opinion, legislation is not needed to address bullying. I would prefer to see the ABA-IPL focus on helping develop current case law and filing amicus briefs where appropriate. Aggressive litigation efforts by legitimate trademark owners to protect their rights are needed at times and often yield fruitful results for the trademark owner. Additional legislation is likely a double-edge sword that may impede appropriate, aggressive policing efforts of trademark owners. For the overly aggressive litigants and litigators, Rule 11 and current trademark exceptionality discretion are sufficient to curtail true trademark bullying. Moreover, with e-discovery case law developments, we are seeing courts issue sanctions against bullies including awarding costs of hundreds of thousands of dollars for conducting e-discovery unnecessarily. This is enough to curtail bullying efforts at this time.

Trademark owners have a duty to police their marks and are encouraged to be aggressive. Trademark enforcement protects consumers from deception in the marketplace. Overly agressive enforcement tactics may be addressed by existing remedies. Abusive tactics do not appear to be confined to trademark law and are no more pervasive than in other areas of litigation. Proposing additional regulation directed specifically at trademark owners could have a chilling effect on

enforcement efforts and ultimately lead to greater consumer confusion at odds with the fundamental protections of the Lanham Act.

My biggest concern is it seems there are quite a few foreign companies registering their trademarks in the US that don't appear to actually be selling their products or services in the US. The USPTO needs to do a better job of determining not just that they sell a product or service somewhere, but that they actually sell it in the US.

We ought to rethink the easy imposition of secondary liability. We ought to think of ramping up the possible award of attorney fees to defendants in trademark litigation, to create a greater disincentive to such misuse of TM's. The Seventh Circuit's standard on fees for copyright defendants is an attractive model. We also ought to think about refining the IP exception to section 230 so that it includes copyright but not trademark.

This is an area that does not require further legislation or agency rule making. The courts are well equiped with the tools needed to effectively resolve disputes and when warranted, allocate litigation expense.

There are just as many if not more small companies who agrressively protect marks as large companies. Small companies often have unreasonable expectations of recovering monies from large companies. Also if you do not protect the client's mark, you risk down the road of courts or the USPTO holding that your mark is weak and therefore not enforceable against an infringer.

For over 5 years I have been in retirement from the active practice of law, except in the case of non-profits and charitable organizations. Before that retirement, I have spent much time in the practice of IP law. Out of that background, it seems to me that much depends on what is behind the "bullying". This in turn leads to the question of what legislative, judicial and administrative remedies now are available.

This is an important issue but not nearly as important to small businesses as reigning in the misuse of business methods patents and "patent trolls."

Generally, a prevailing party fee shifting provision, like the Copyright Act, could be deterrent enough.

Not aware that legislative solutions necessary. Too much regulation already.

I believe that the "trademark bullying" allegation has become the reflexive response of some third parties who fail to conduct adequate clearance searches, fail to consider the additional protection available for famous marks or simply have no better argument to make.

With the current state of the trademark laws, there is minimal risk and huge reward for trademark owners to send cease-and-desist letters to people they believe are infringing their marks, even if no infringement is taking place. Also, the USPTO has issued many questionable trademark registrations that people attempt to enforce that, if challenged, should be invalidated.

You should look at the recent 7th Circuit ruling in Nightingale Home Healthcare, Inc. v. Anodyne Therapy, LLC. (Case. No. 10-2327, November 23, 2010). There is an existing deterrent in the award of reasonable attorneys fees to the prevailing party in an "exceptional case". If other circuits followed that same standard, the deterrence would be more uniform and widespread.

Bullying over trademarks or any other basis for litigation is best left to the Courts, who already have in place all the rules and authority needed to deal with it. It would be nice, however, for the Courts to take a greater interrest in using those tools to make civil litigation more efficient.

I have not been practicing long, but I have been horrified at the frivolousness of some trademark claims brought by larger opponents against my smaller clients. There needs to be stiffer penalties for frivolous claims. Another related problem deals with the attorneys' fees provision under the Lanham Act. Some circuits use the higher "bad faith" standard and others use the "something less than bad faith" standard. The result is that bad conduct that would be considered "exceptional" in one circuit won't be in another. We need a unified standard for the attorneys' fees determination. That standard should look something like the "less than bad faith" standard utilized by many of the circuit courts.

The problem is the nebulous 7 factor test for "likelihood of confusion" that leads to exorbitant costs to get rid of firvolous claims. Attorneys' fees for bad faith prosecution of claims should be available, cancellation of marks, a probationary period for which no other marks can be registered by affiliates, counterclaims for trademark misuse, and clear statutory elements for dismissal or summary judgment without discovery.

Don't, unless you have an overall solution for all cases!

The problem is not so much whether to pursue legislative solutions but identifying potential solutions that will not permit abuse, stifle legitimate competition or otherwise have adverse or undesireable side effects. Good luck.

It sounds nice in theory, but it seems difficult to practially implement. I don't beleive it is egregious enough at this point to do anything.